

**GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA**

UNSTARRED QUESTION NO:1790

ANSWERED ON:29.11.2007

PRODUCTION OF UREA

Pandey Dr. Laxminarayan;Tripathi Shri Chandramani

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether the Government has held any talks with the private sector for increasing the production of urea in the country; and
- (b) if so, the details and outcome thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS(SHRI B.K. HANDIQUE)

(a) & (b)The Government has announced a policy of New Pricing Scheme Stage-III for urea manufacturing units on 8th March 2007 which is applicable to all the public as well as private sector fertilizer company. The policy aims to encourage higher production of urea by incentivizing production beyond 100% of installed capacity of the existing urea units in the country.

The demand for urea in the current year is much higher than the indigenous production of urea in the country. The shortfall between the demand and production is being met by the Government through import of urea. In this context, the industry is being regularly encouraged for increasing the production of urea in the country. The industry has assured to produce at its maximum during the current Rabi season subject to assured availability of feedstock.